

IRS News Release

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IRS Advises Employers, Payers, Agents to Use New Appointment Form 2678

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WASHINGTON — The Internal Revenue Service recommends that employers, payers and their agents begin using a new, improved version of the agent appointment form immediately, to avoid delays in having the IRS approve the agent appointments.

All versions prior to the May 2007 form are now obsolete.

[Form 2678](#), Employer/Payer Appointment of Agent, authorizes an agent to file tax returns and deposit and pay employment or other withholding taxes on an employer or payer's behalf. However, the employer retains responsibility for filing Form 940, Employer's Annual Federal Unemployment [FUTA] Tax Return, and depositing and paying FUTA tax.

The IRS recently redesigned Form 2678 to make it clearer and more user-friendly. The redesign resulted from an initiative led by the IRS Office of Taxpayer Burden Reduction.

The IRS receives about 15,000 Forms 2678 annually, encompassing approximately 3,000 agents and 20,000 employers.

The new Form 2678 contains several enhancements that clarify the appointment form and simplify the authorization process, including:

- Plain language instructions;
- Signature lines for both the employer/payer and the agent to request the agent's authority, eliminating the need for any additional authorization requests;
- Easier revocation, with only one signature — either the employer's/payer's or the agent's — required to revoke authority;
- Check boxes that clearly establish which form(s) the agent is authorized to file on the employer's/payer's behalf;
- A check box for the agent to indicate whether the employer is a disabled individual or other welfare recipient receiving home-care services through a state or local program; and

—More—

- Disclosure language, authorizing the IRS to disclose information about the taxes and periods covered to the agent and any third party the agent may contract with, such as a reporting agent or CPA.

Employers, payers and agents should complete and send Forms 2678 to the address in the self-contained instructions 60 days before the date they want an appointment to become effective. Those with approved appointments already on file with the IRS do not need to take any action unless, using the new form, they wish to revoke an existing appointment.

IRS will return any obsolete versions of Forms 2678 that are filed and ask senders to submit the May 2007 revision instead.

When the IRS approves Form 2678, both the employer or payer and the agent are liable for the employer's employment tax, under federal tax law.

The new Form 2678 may be downloaded from the IRS Web site at IRS.gov or ordered by calling toll-free 1-800-TAX-FORM (1-800-829-3676).